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# Financial Statement

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The HON. I. B. LUCAS

ACTING-TREASURER OF THE PROVINCE OF ONTARIO

Delivered on the 4th March, 1913

IN THE

LEGISLATIVE ASSEMBLY OF ONTARIO

On moving the House into Committee of Supply

PRINTED BY ORDER OF  
THE LEGISLATIVE ASSEMBLY OF ONTARIO



TORONTO:

Printed by L. K. CAMERON, Printer to the King's Most Excellent Majesty

1913





*Ont. Department of Treasury and Finance  
Taxation and Fiscal Budget*

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**WILLIAM BRIGGS**  
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BUDGET SPEECH  
DELIVERED BY  
**HON. I. B. LUCAS**  
ACTING PROVINCIAL TREASURER

4th MARCH, 1913

Mr. Speaker, suitable reference has already been made in this House by the Prime Minister, the Leader of the Opposition and a number of other honourable members to the death since the last session of Lieut.-Col. Arthur James Matheson, K.C., who was for eight years Treasurer of this Province. The House adjourned as a mark of respect to his memory, and the members of this House paid to the late Treasurer every tribute of respect it was possible to pay. For fourteen years I sat within a few seats in this Legislature of the late Treasurer; for fourteen years as a senior member of this House he was, to some extent at any rate, my political adviser, and certainly he was my close friend. Under these circumstances the members will pardon the intrusion of a personal reference, and realize that it is in no spirit of formality that upon this occasion my first words should be a reference to the late Treasurer of this Province. The members of this Legislature on both sides, the press, the pulpit and the people of this Province have paid their high tribute of respect to the public man who so intelligently and so faithfully served the Province, for eight years in the Government, and prior to that as a member of the Opposition. He has gone from us. But the high standard of political life, the high standard he set for himself in both public and private life—and lived up to—is an inspiration along the right lines to every man who enters the political life of this Province. But splendid as is his record as a public man, I like best to



remember him as the private citizen, the courteous, patient, generous and above all, kindly gentleman, who occupied a seat in this House for so many years, for truly can it be said of him that none more than he was nobler in that "best portion of a good man's life, his little nameless unremembered acts of kindness and of love." And the most touching tribute to his memory were the signs of sorrow amongst the people who, in thousands, lined the streets of his native town, the town he was born in, lived his life in, which loved him so well, and the town he died in, as the funeral procession bore him to his last resting place. These people knew the Treasurer as "The Colonel," they knew him well, in life they honoured him, in death they sorrowed for him. In the long years to come they will cherish and revere his memory.

It is difficult to introduce any particularly new feature into a discussion of the finances of the Province. One must necessarily travel over old ground and to a large extent present old and familiar arguments. It has been the privilege of the Treasurer each year since 1905 to call the attention of the House to the annually increasing revenues of the Province. It is my privilege to continue this, shall I say, now happy custom, and point to another substantial increase in the Provincial revenue. But before doing so, let me call attention to another significant fact—namely, that during thirty years prior to 1905 the total annual revenue of the Province only increased in round figures one million dollars, while since 1905 the revenue has been steadily going up each year until last year, as you will notice from the public accounts and from the schedules that are on your desks, we have reached a total annual ordinary revenue of more than ten millions or an increase of \$5,536,900.02 in eight years (applause), and you will observe an increase of \$671,166.78 this year over last year's total—up to that time the high-water mark in the receipts of the Province. While this increase is not so great as in some of the former years, it is a very substantial increase in the ordinary revenues of



the Province for one year. This is a modest Government, as honourable gentlemen opposite know (laughter), but while a modest Government, it is a very just Government, and therefore we must take some credit, some at any rate, for the careful administration, for proper collection of revenues, and for taxation rightly placed that has contributed to these most satisfactory revenue results for the past eight years. I have said we should take some credit for taxation rightly placed, and I mean by this that the present Government has increased the revenue without adding—and this is an important consideration—any burden on the masses of the people—the revenue, I repeat, Mr. Speaker, has been increased without adding any taxation on the masses of the people, and without adding one dollar of taxation on the great agricultural classes or on the working classes of this Province, or without adding undue burden upon any class or interest in this Province. (Loud applause.)

As this Province develops and increases in wealth necessarily there will be new sources of income in sight, new interests or, for that matter, old interests, which ought equitably, and are able, to contribute to the revenues of the Province, and interests and wealth in different forms, which in the past have not perhaps been paying their full share of the public burden, and which can be more effectively reached by a Provincial tax than by a municipal or any other form of taxation. These interests, these various sources of wealth, ought to contribute their full share to the revenues of the Province. Mr. Speaker, it will continue to be the policy of the Government, as I understand it, to ask these various interests, from time to time, to contribute by taxation to the revenues of the Province to enable the Government to maintain an efficient public service, to increase our grants to education, our grants to agriculture, our grants to hospitals and charities and to the various public services throughout the Province—many of which are more or less in relief of local taxation, and as well as to enable the Government to continue its policy—a

vigorous and aggressive policy—for the development of New Ontario—as well as for the development of Old Ontario. These things require money. The Government must ask the people to contribute to the revenues of the Province. The limit of the assistance to the various public services and the development of new and old Ontario will be in the future, as it has been in the past—the necessity to live within the legitimate revenue of the Province, to increase where we can do so equitably and reasonably, to collect that revenue carefully, and then faithfully and intelligently, and with due regard for economy and efficiency, to carry on or assist in carrying on these public services to the limit of our revenue, is the duty of the Government.

To the consideration of these revenues, more or less in detail, and the expenditures for the past year, it is my duty, for the time that I shall ask you to hear me this afternoon, to direct the attention of the members of the House. The schedules placed upon your desks give these details. I propose to first consider the revenue side, making such comments as occur to me or seem necessary, and then deal with the expenditures. I beg to submit the following statement of receipts:—

### RECEIPTS.

FISCAL YEAR ENDED OCTOBER 31ST, 1912.

#### Balances as per Public Accounts, 1911.

	\$	c.	\$	c.	\$	c.
Amount at Special Deposit, 31st October, 1911 .....			1,442,000	00		
Amount at Current Account, 31st October, 1911 .....			61,916	99		
					1,503,916	99

#### From Dominion of Canada:

Subsidy on population, B.N.A. Act, 1907 .....	2,014,781	60
Subsidy, 47 Vic., c. 4 .....	142,414	48
Special Grant, B.N.A. Act, 1907. ....	240,000	00
	2,397,196	08

#### Interest paid by Dominion,

see Statement No. 3 .....	72,344	46
Interest on Investments....	76,666	62

149,011 08



**Lands, Forests and Mines:****CROWN LANDS:**

Agricultural. . . . 220,595 76

Mining. . . . . 51,634 48

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272,230 24

Common School

Lands. . . . . 7,121 25

University Lands. 4,263 39

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11,384 64**RENT:**

Mining Leases .. 33,098 34

Crown Leases .. 18,931 82

---

52,030 16

Miners' Licenses.. 56,147 75

Permits. . . . . 1,780 75

Recording Fees ... 49,234 20

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107,162 70

Royalties. . . . . 250,145 65

**SUPPLEMENTARY REVENUE:**

Acreage Tax .... 15,770 62

Profit Tax ..... 155,506 86

Gas Tax ..... 19,598 05

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190,875 53**WOODS AND FORESTS:**

Bonus . . . . . 540,702 85

Timber Dues .. 1,339,957 12

Ground Rent .... 96,262 81

Transfer Fees ... 8,740 00

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1,985,662 78**Provincial Assay**

Fees. . . . . 654 00

Casual Fees ..... 655 47

Cullers' Fees ..... 2,698 51

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4,007 98

Algonquin Park ... 7,610 05

Rondeau Park ..... 489 65

Forest Reserves ... 778 80

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8,878 50**REFUNDS:**

Wood Ranging .. 3,177 16

Fire Ranging ... 13,821 88

Surveys. . . . . 74 77

Contingencies. . . 60 00

Diamond Drill . 208 25

Agents' Salaries. 468 50

Mining Recorders 16 00

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17,826 56

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2,900,204 74

<b>Licenses.</b> . . . . .	805,151	48
<b>Law Stamps</b> . . . . .	126,720	70
<b>Algoma Taxes</b> . . . . .	116	29
<b>Education.</b> . . . . .	63,944	56
<b>Provincial Secretary</b> . . . . .	343,053	33
<b>Game and Fisheries</b> . . . . .	133,354	49
<b>Agriculture.</b> . . . . .	167,224	91
<b>Supplementary Revenue Act, 8</b>		
Edw. VII., c. 14. . . . .	898,031	80
<b>Succession Duty</b> . . . . .	773,712	39
<b>Succession Duty</b> (Funds deposited in lieu of Bond for payment of Succession Duty)	99,865	00
<b>Casual Revenue</b> . . . . .	166,339	57
<b>Insurance Department</b> . . . . .	45,121	76
<b>Public Institutions:</b>		
Toronto Hospital for Insane	58,283	61
Brockville " ..	15,478	65
Hamilton " ..	41,038	72
Kingston " ..	17,542	94
London " ..	37,926	64
Mimico " ..	20,994	92
Orillia " ..	10,438	23
Penetanguishene " ..	3,120	59
Cobourg " ..	1,042	40
Reformatory for Females..	9,867	05
Central Prison . . . . .	28	10
Central Prison Industries..	50,719	33
Provincial Prison, Guelph..	19	95
Woodstock Hospital for Epi- leptics . . . . .	14,743	53
	281,244	66
<b>Hydro-Electric Power Commission:</b>		
Interest, 4 per cent. on Capital Account, 6 Edw. VII., c. 15, sec. 15-18. . . . .	181,707	84
<b>Temiskaming and Northern Ontario Rail- way, from Earnings</b> . . . . .	510,000	00
<b>Total Receipts</b> . . . . .	10,042,000	68
<b>Drainage Debentures, Municipal</b> . . . . .	21,113	90
<b>Drainage Debentures, Tile</b> . . . . .	6,465	00
<b>Province of Ontario Loan (Algonquin Park), net pro- ceeds to October 31st, 1912. See Statement No. 19. . .</b>	211,494	92
<b>Ontario Government Inscribed Stock (London, England, Loan), 8 Edw. VII., cap. 11 and 12, 1 Geo. V., cap. 4, and 2 Geo. V., cap. 2. Amount credited to Ont. Treasury Dept. See Statement No. 17. . . . .</b>	1,430,997	55
<b>Province of Ontario Loan, 8 Edw. VII., cap. 12, and 1 Geo. V., cap. 4. Amount issued to October 31st, 1912. See Statement No. 18. . . . .</b>	1,243,980	50
<b>Municipal Securities, Municipal Sinking Funds received for fiscal year ended October 31st, 1912. . . . .</b>	33,743	21
<b>Central Prison and Toronto Asylum Properties, Sale of</b>	112,960	58
<b>Old Government House, Sale of (balance). . . . .</b>	720,000	00
	\$15,326,673	33



The first matter that you will notice, if you have before you the receipts for last year, is that the estimated ordinary receipts for 1912 were \$9,404,429.28. The actual receipts were \$10,042,000.68, or an increase in our actual revenue over our estimated revenue of \$637,571.40, while the ordinary receipts for that year are \$671,166.78 more than for 1911. Now then, taking these receipts in order as they appear in the schedule and dealing with the first item of subsidies from the Dominion Government, this shows a small increase of \$766.80 over the estimate, arising out of the final adjustment of population on the basis upon which we now receive our revenue. In 1911 we only received a half year's subsidy on the 1911 census. This year we received the full amount. My honourable friend the Leader of the Opposition will observe in comparison with the subsidy of a year ago there is a substantial increase as a result of the new basis agreed upon at the Inter-provincial Conference at Ottawa in 1906.

The whole question of subsidies, which was more or less dealt with the other day, is most interesting and important. When the Provinces entered Confederation they surrendered their right to Customs and Excise revenues. These two were the main sources of revenue for the Provinces. They gave both up to the Dominion and in return the Dominion agreed to make certain grants, undertook to pay certain subsidies to the Provinces in order to enable the Provinces to carry on and maintain the public services. Without some such an arrangement Confederation could never have been brought about. In 1867 the total Customs and Excise revenue of all the Provinces was \$11,815,995,—under \$12,000,000. The same Dominion revenues of last year are over \$104,000,000. In other words, the sources of revenue that we gave up in 1867 to the Dominion, and out of which they pay the Provincial subsidies, have increased ten times, while the increase in subsidies to the Provinces during the same time has been comparatively small. So that this Province, as well as any other Province, might reasonably go to the Dominion and ask for substantial

increases in subsidies on the ground that the surrendered revenues, owing to the great development of the country, have increased beyond the wildest dreams of those who brought Confederation about in 1867. (Hear, hear.) It is, however, entirely a family matter, and it is essentially a matter for the Provinces to consider at a conference, where all the rights can be equitably and properly considered. (Applause.) That is the position we take and have always taken. No one Province should endeavour by any process to get the advantage of any other. (Applause.) Mr. Speaker, Ontario is big enough to play the game square with the other Provinces. (Hear, hear.)

Leaving that first item of subsidies, you will notice the estimate of what we would receive from interest was \$125,000. We actually received \$149,000—a little more than we expected. The item includes interest on Common School Funds held in trust by the Dominion. It also includes, of course, interest on bank balances from time to time. In that way we arrive at the amount of interest. Honourable gentlemen, if they will look at the statement, will notice that we closed the financial year of 1912 with the very respectable sum of \$1,485,620.93 in the bank in hard cash—a very nice way to close; it helps to make a Government feel comfortable. (Applause.)

The next item is from the Department of Lands, Forests and Mines. The Minister, last year, estimated that the receipts would be \$2,800,000, but the amount actually received and paid into the Treasury Department was \$2,900,204.74, or an increase of better than \$100,000. (Hear, hear.) This is an annual increase. You will observe there has been a substantial increase each year for a good many years in the ordinary revenues from the Department of Lands, Forests and Mines. Last year, I outlined the basis upon which the former Government collected bonuses from timber sales with that in force to-day. It is not necessary to repeat it now.



MR. GAMEY: That item of Mining under Crown Lands, \$51,634.48, is that the sale of mining lands?

HON. MR. LUCAS: Yes, that is the sale of mining lands.

MR. GAMEY: I think it would be a good idea to keep your mining receipts separate from your timber receipts.

HON. MR. LUCAS: The suggestion is well worth considering.

MR. ROWELL: In that item of agricultural lands of \$220,000, would the Minister be good enough to tell us if that includes the proceeds from the Jackson sale of two townships on the Grand Trunk Pacific?

HON. MR. LUCAS: Yes,—that includes all sales.

You have these details before you, and there is no necessity for my repeating them now, as they appear in the schedule. From royalties we received, as you will see, the sum of \$250,145.65, which is slightly less than the estimate, a falling off in the revenue to some extent. From the supplementary revenue tax, which is the acreage tax, profit tax and gas tax, we got \$190,875.53, which is an increase of \$40,875 over the estimate.

Then the item of tavern and brewers' licenses, we estimated at \$775,000.00; the actual receipts for 1912, as you will see, were \$805,151.48, or an increase of \$30,000.00 over the estimate and an increase of \$148,000 over the receipts for 1911.

MR. PROUDFOOT: How much in that item is represented by the 5 per cent. tax on bar receipts?

HON. MR. LUCAS: The 5 per cent. tax was estimated at \$250,000. It actually produced \$268,730.87. Last year it produced for five months \$118,891.71.

The Succession Duties for the year were \$873,577.39—there is a shortage here over last year, but it is \$173,000 more than our estimate. That, of course, for obvious reasons is one revenue that no person can estimate with any accuracy. The millionaires continue to decline to die with any sort of regularity at all. (Laughter.)

From the sale of law stamps we received \$126,720.70—\$26,000 more than the estimate and an increase over 1911 of \$22,564, indicating that there is still some litigation in the Province.

Now we come to the Department of Agriculture and that of the Provincial Secretary. Both are distinctly administrative departments—that is, to a large extent, the amount of the revenue is a question of good business administration. In each one of these departments, you will find an increased revenue reaching the Province for which some credit should be taken, for the reason, as I say, that these revenues depend to a large extent upon the careful business administration of the departments.

From the Education Department we received the sum of \$63,944.56, the estimate being \$46,000, an increase of \$17,000. This is not a revenue producing department. This increase has been brought about to some extent by the increased fees that have been charged.

Then my honourable friend the Minister of Public Works (Hon. J. O. Reaume) is receiving from year to year an increasing revenue. This is also a department which is entitled to credit for the collection of an increasing revenue. We received from Game and Fisheries \$133,354.49, a substantial increase over 1911, as well as an increase over what we estimated the revenue would be.

The estimate from the Provincial Secretary's Department was \$251,000; the actual receipts were \$343,053.33, an increase of \$92,053, and an increase over 1911 of \$19,317.08.

MR. ROWELL: Is that from corporation taxes?

HON. MR. LUCAS: I think the main increase is from the automobile licenses, which were \$50,831.22 in 1911, and were better than \$73,000 in 1912. That pretty well accounts for the increase there. I think the increase is almost wholly accounted for by automobile licenses.

The revenue of the Agricultural Department, from fees, of the Ontario Agricultural and Ontario Veterinary Colleges,



and sale of agricultural products, etc., the details of which are given in the public accounts, was \$167,224.91, or an increase of \$17,224.91 over the estimate, and an increase of \$20,055.57 over 1911.

We now come to the Supplementary Revenue, which is, of course, an important source of revenue to the Province, being a tax on banks, railways and other corporations. We actually received \$898,031.80, an increase of \$23,031.80 over the estimate and \$43,371.89 more than last year. This increase is accounted for to a large extent by the sale of stamps for stock transfers, two cents on each \$100 of par value, which brought in this year \$38,000, as compared with something like \$13,000 for five months last year. This is a new item of taxation. As we bear the increasing burden of the cost of maintaining public institutions and public services of the Province, it is to such items as these that we may, and probably will, look for some increase in revenue.

Then we come to what we call the Casual Revenue, estimated at \$160,000. From this source we received \$211,461.33, including the Insurance Department receipts, which amounted to \$45,121.76. This is \$51,461.33 in excess of our estimate for the year and \$50,790.12 more than last year.

MR. ROWELL: What would that be attributable to? What is included under the head of Casual Revenue?

HON. MR. LUCAS: Additional fines and forfeitures, \$9,000; moving picture revenue shows an increase of \$18,000; nearly \$8,000 additional revenue was received under the Insurance and Loan Corporations Act. These are three items which go to make up the increased revenue under this heading. The balance of the increase is made up of miscellaneous small items.

Then there is \$281,244.66 from the Public Institutions. This amount is \$53,000 more than the estimate and also a substantial increase over last year's receipts under the same head. It means that inmates of the public institutions are paying better for the service they are getting from the

Province. The Department of the Provincial Secretary has adopted business methods in connection with the collection of these charges—with the very satisfactory revenue increases above indicated as the result.

We come now to the important item of the Temiskaming and Northern Ontario Railway revenue. Last year we received \$515,000 from the Commission on account of the interest due the Province; this year, \$510,000. We have a capital investment in the T. & N. O. of \$18,746,451.99. That is the total amount of money charged to capital investment in the T. & N. O. Railway up to October 31st, 1912. For that we have a total mileage of 417.86 miles. The total net revenue for the year from the railway was \$532,033.31. That is the amount which is available to meet the interest charges and sinking fund on the capital expenditure of the T. & N. O., and honourable gentlemen will observe that is substantially short of the amount required to pay these charges. In other words, we pay this year for interest on the T. & N. O. on the capital advance, \$727,054.82. We received from the T. & N. O. \$510,000, so that the T. & N. O., on this year's operations, still owes the Province \$217,054.82. In other words the whole Province had to make up that shortage on the interest charges as against the T. & N. O.

MR. ROWELL: Just on that, will the honourable gentleman tell us, is that net after providing for depreciation and renewals? In other words, is the railway retaining sufficient to maintain the road up to its present state of efficiency in addition to earning this amount?

HON. MR. LUCAS: In the total net revenue of \$532,033.31 we include ore royalties which amount to \$135,500.31, and also include the revenue from the sale of town sites, \$77,-831.57, the net revenue from operation this year is only actually \$322,752.38. These net revenue figures are arrived at after all charges for maintenance are taken care of, that is, out of the revenue the road has been kept up to the high standard the commission aim at for this road and, after all charges



which can properly be made for maintenance or depreciation are duly provided for, the net balance from operating revenue is \$322,752.38. Of course there are expenditures each year for betterment of road bed and rolling stock that are properly chargeable and are charged to capital account.

MR. ROWELL: Have the changes in the amount of royalties which have been made in the last year or two materially affected the revenue for the current year?

HON. MR. LUCAS: The ore royalties for 1912 are substantially greater than they were in 1911—quite substantially more. I have not the figures before me, but I have clearly in my mind that the ore royalties for 1911 were not more than one-half of what they are this year; this year ore royalties are, as I have said, \$135,500.31. So that there has been a marked increase in the royalties received by the road.

MR. ROWELL: How does the operating revenue compare with that of 1911?

HON. MR. LUCAS: The gross revenue from operation this year was \$1,618,535; in 1911 it was \$1,708,249. So that, roughly speaking, \$100,000 less revenue was received from operation this year than last year.

MR. ROWELL: I mean net operating revenue?

HON. MR. LUCAS: The net revenue last year from operating was \$598,966, as compared with \$322,752.38 this year. This is a rather substantial decrease in the net operating revenue for the current year. The decreased net revenue is largely accounted for by the increased pay roll, together with the increased cost of maintaining up to the standard the road-bed of the railway.

MR. ROWELL: Do you include the rental from the Grand Trunk?

HON. MR. LUCAS: The Grand Trunk agreement is not yet operative, except as to some rentals for terminals at North Bay. The agreement which has been made, by which the Grand Trunk agree to pay \$300,000 per annum and one-half of the cost of maintenance, will not be operative until the

Grand Trunk Pacific trains are running west to Winnipeg. In the meantime, under the agreement, there is no revenue from that source for the T. & N. O., except the charge for terminals at North Bay.

These particulars as to the revenue from the T. & N. O., which my honourable friend the Leader of the Opposition has brought out, show that (the net revenue of that road, under what is generally conceded in this House and throughout the Province to be a well-managed road, an economically-managed road, does not actually pay one-half of the interest charges, and every dollar that you lessen these operating revenues means a dollar more to be paid by the Province out of general revenues. Now that should be kept in mind when certain people from the north country come down here and hold conventions) Some of our friends from the north held a conference in Toronto not very long ago, before the last election, in which some demands on this railway were made. I remember some of my honourable friends opposite, or their friends, came down here and demanded a two-cent rate on that line. (Now I am assured by the Commission that the tariff of freight rates on the T. & N. O. is as low as on any railway on the continent, and in very many instances lower rates prevail on freight than on any railway in Canada. Special rates are given on many commodities in which the settlers of that district are particularly interested, for instance, pulp wood from shipping point to the mill. Settlers who are going in, also, have a special rate. Yet we cannot get our subsidy from Ottawa. We think we are absolutely entitled to it. (Hear, hear.) If any company or private individual had built that railway, the subsidy of \$6,400 per mile, which would mean, roughly speaking, about \$2,000,000, would have been paid without question and without conditions) I understand my honourable friends opposite think we should agree to extend the railway to James Bay and put it under the Dominion



Railway Board, as a condition precedent to asking for the subsidy, and that when we do these things we will have their support in demanding that the subsidy be paid to us—and not before.

MR. ROWELL: Our position was voiced in a Resolution before the House last year.

HON. MR. LUCAS: Well, if that is not the position of my honourable friend, then all I can say is he keeps strange company. He and some of his friends opposite made a trip to New Ontario last year, and they took with them a very distinguished Senator from the Province of Ontario, associated with my honourable friend as the owner of a newspaper. They had a nice little meeting at Cochrane, and the Senator, in his own paper and my honourable friend's paper—at least the paper he has an interest in—is reported to have said that Ontario will get the subsidy when they agree to extend this road to James Bay and when they bring it under the Dominion Railway Board. (Loud cheers.) His own paper says, and, if my memory properly serves me, my honourable friend's Resolution of last year says just about the same thing. The Legislature should stand unanimously behind the Government and the Commission in the effort to manage this railway as a business proposition—it is a great public enterprise, a great experiment in public ownership, and, up to date, a well-managed road—and I think the members of the House, without reference to which side they sit upon, should unanimously and loyally support the Commission. The members on this side of the House in any case are determined there shall be no dictation from the Senate at Ottawa. We demand that subsidy as a matter of right. We will extend the railway to James Bay when the members of this House think it advisable to do so, and not as a condition or term of receiving the subsidy. Our claim is a just one and an unanswerable one, and besides, "the stars in their courses are fighting for us," and in good time the Senate will take the proper view of this matter, and we will get the subsidy, and we will get it without

any dictation from our venerable friends the Senators as to where this railway shall be built or how it shall be managed. (Applause.)

MR. ROWELL: What effect, if any, had the reduction in freight rates a year ago?

HON. MR. LUCAS: I am unable to give any details. I have only the general returns from freight traffic. I assume the report of the Commission will give my honourable friend the information he asks for.

MR. ROWELL: In dealing with the question of mining royalties, I wonder how far that reduction on certain special mines has reduced the revenue?

HON. MR. LUCAS: So far as the royalties payable to the T. & N. O. are concerned, there has been no reduction, but in royalties payable direct to the Province there has been a decreased revenue. We estimated Provincial royalties at \$335,000. We actually received \$250,000. There was that shortage. There was, as my honourable friend knows, a change in the basis upon which the royalty was paid on the O'Brien mine. The particulars of that were fully given, and the reasons for it, in answer to a question to my honourable friend, the Minister of Public Works, and appear in detail upon the records.

MR. ROWELL: Is that reduction of \$80,000 in the revenue this year below the estimate due to the change in the basis of the royalty or to diminished output from the mines?

HON. MR. LUCAS: Of course the honourable gentleman will see that with less royalty there will be less revenue, unless there was an increased production at the mine. Some of these mines were not operating or were about to cease operating, through inability to make them pay, and that was, of course, a matter for consideration in the adjustment of the royalty basis.

In the case of the T. & N. O. the result was that we got more revenue than we did in former years. On the Hudson



Bay and O'Brien mines there was a reduced revenue. I cannot, at the moment, give my honourable friend the details.

MR. ROWELL: What about the Chambers-Ferland?

HON. MR. LUCAS: I must refer my honourable friend to the documentary answer which was brought down, and gives all details.

Then the last item of revenue appearing in the statement before you is the amount received from the Hydro-Electric Commission. Honourable members will be glad to know that the amount received—\$181,707.84—is interest in full to the 31st October, 1912. So that the Hydro-Electric Commission owe the Province nothing. The Commission has paid back to the Province the full interest upon all advances up to date. (Applause.) I propose to-day to make only a passing reference as to Hydro-Electric finances, a sort of summary or digest of the position which the Hydro-Electric occupies as to the Province. We have advanced the Hydro-Electric Power Commission in all, \$4,661,238.33. That is our total investment, and upon that investment interest in full to October 31st has been paid.

I have before me a statement, the accuracy of which is certified to by the advising accountant of the Hydro-Electric Power Commission. It is a comparative statement of the assets and liabilities of the Hydro-Electric on the 31st October, 1911, and the 31st October, 1912. A comparative statement of this kind, if correct, is the best real test as to whether or not a system is paying—is making headway. What then is the financial position of the Commission in 1912, as compared with 1911? After paying for all power purchased, including loss in transmission, transformation, administration and general expenses, operation, maintenance, and interest on all capital charges—that is after everything is paid out of the ordinary receipts from the service—there remains to place to profit and loss on the year's operation a credit of \$62,931. (Applause.) I propose simply to place that general statement before the House without asking you to follow me

in any examination of the details—all particulars will appear in the annual report which will shortly be presented. In arriving at the figures, which show a profit of \$62,931 on the year's operation, depreciation and sinking fund are not provided for. The Commission never proposed to provide a sinking fund in the early years of operation. My recollection is, that the Chairman's estimate was that the Commission would be fully operating, and the business would be sufficiently extended to enable the Commission to provide for their sinking fund by 1915. This statement, however, includes all maintenance charges, and every other charge that can properly be made against the service except depreciation and sinking fund. So that you have a financial statement showing a profit of \$62,000 on the year's operations.

AN HONOURABLE MEMBER: And there was a reduction of rates? (Hear, hear.)

HON. MR. LUCAS: Yes, the House will remember that a reduction in rates was announced at the end of the last fiscal year, a reduction in rates amounting to about \$100,000 to the consumers, and while I have not the details of the operations for the three months of this year under the reduced rates, I am advised it shows a higher rate of net profit for the three months after reduction of rates than it did before. (Applause.) The cheaper rates bring more demand for power and the increased profit follows. All this is evidence that the lines upon which the Commission are financing this great public enterprise are not only in the interest of the consuming public, but as well are sound business and financial lines.

MR. ROWELL: What would the sinking fund be if it were provided?

HON. MR. LUCAS: That is a matter of calculation. It is on a thirty-year basis. The capital expenditure is \$4,661,238. If we had an actuary here he would soon give us the sinking fund.

MR. ROWELL: What is provided for depreciation?

HON. MR. LUCAS: One of the Commission reports deals with the question of providing a proper sinking fund and allowance for depreciation.

MR. ROWELL: Do I understand from the honourable member that the amount of \$4,661,000 represents the total amount the Government has contributed altogether; is there not a sum that the Province contributes outside of that?

HON. MR. LUCAS: Oh yes; the amount paid by the Province was \$170,000. That amount is paid for services entirely disconnected with any of the transmission lines or Hydro development for any of the municipalities, and therefore is not properly chargeable by the Commission to any of the municipal services. This is for engineering assistance to municipalities, including travelling expenses, practical demonstrations of electrical equipment on farms, also exhibitions, shop and development work, also testing of equipment and instruments, the different details of which can be found in the Public Accounts or by examining the accounts of the Commission. The people of the Province, generally, secure the benefit of this expenditure. The outstanding feature of the Hydro-Electric is this—that the enterprise is at so early a stage in its work on a sound financial basis. It stands to-day a completed and gigantic public enterprise and a great and successful experiment in public ownership. It stands, and will down through the years, not only as a monument to the foresight and the public spirit of the Commissioners under whose guidance the work has been accomplished, but as well to the public spirit and courage of the Government, that has throughout supported the Commission.

We have now reached capital receipts in the statement before you; we do not, of course, include anything that might be regarded as a capital receipt in our ordinary receipts. For instance, money received from the sale of property, Government House, the Central Prison, etc., is treated as a capital receipt—and similar expenditures are treated as capital expenditures.



The next item in capital receipt column is that of drainage debentures, that is, sums paid in on account of money advanced for drainage purposes. The interest received on these debentures, of course, goes into the ordinary receipts column, and the principal goes into capital receipts.

Then on account municipal sinking funds we received this year \$33,743.25. This is where municipalities deposit their sinking fund with the Government; the Government allows 4 per cent. thereon. The Government recently made provision for the deposit by municipalities of their sinking fund in this way. It is optional with the municipality.

The balance of the Algonquin Park loan of \$210,000, issued under the authority of the Algonquin Park Purchase Act, was sold at 102 and accrued interest. This is a 4 per cent. loan. In addition to that loan, the Government issued locally 4 per cent. bonds to the extent of \$3,000,000. The first issue of \$1,000,000 in 1911 was fully subscribed at 102 and accrued interest. The other \$2,000,000, part of which was sold and part of which is still on the market, was disposed of by brokers at about par. Our English loans, so far as placed, while they stand well, none better, are only netting us 97½. This, however, in comparison with the other provinces is a very favourable rate. It heads the list of the provinces to-day. Our loans providing for the T. & N. O. requirements and other capital expenditures have increased during the year, and, of course, our fixed interest charges have correspondingly increased.

While considering our loans, I desire to say just a word as to the placing of our loans on the English Trustee List. I do not at present want to deal with the question at length. It is a question of importance to the different provinces. It can be more effectively dealt with at a conference where all the provinces are represented; the proposed Interprovincial Conference will afford the opportunity for joint consideration. The late Treasurer took a very great interest in the matter, and he had a very full and thorough knowledge of the question. As the members of the House know, our securities are

not on the Trustee List in England. As the late Treasurer pointed out, under the present laws and regulations in Great Britain, without going into it in detail, trustees are not permitted to invest in any loan or security issued by any of the Provinces of Canada. This is the situation and is the result of certain decisions in the courts of Great Britain. I understand these decisions turn, so far as Provincial securities are concerned, upon the definition of a "Colony." None of the Provinces of Canada come within the legal description of a colony, as used in the Trustee Act of 1893, and so under the law trustees cannot invest in our stock. There was an attempt made to remove the objection, and The Colonial Stock Act was passed. Under that Act trustees were authorized to invest in the stock or debentures of the colonies, and the provinces came within the definition of a colony in that Act. But these trust investments under this amending act were to be made available trustee securities under certain regulations of the Treasury Department, and when the Treasury Department issued these regulations, it was provided that a formal consent by the colony should be filed, that any legislation, in the opinion of the Imperial Parliament affecting the stock, might be disallowed.

Now all the Crown Colonies, the smallest of the islands of the sea, the self-governing Colonies, including the Dominion of Canada, have passed the legislation required by these regulations and trustees can invest in their securities. But, under The British North America Act, the power of disallowing provincial legislation is reserved exclusively to the Governor-General-in-Council, and the Imperial authorities hold that the Canadian provinces, therefore, cannot comply with the Treasury Department regulation as to disallowance. So that, we stand in this position, that while Canada, Newfoundland, Cape of Good Hope, Natal, New South Wales, New Zealand, Queensland, South Australia, Tasmania, Victoria, Western Australia, all the Crown Colonies, as well as the self-governing Colonies throughout the whole Empire, are not on the Trustee

List, although admittedly immensely stronger financially than many of the others. So that the facts only need to be stated to show that there ought to be a remedy. The security is there. This is one of the matters to which the late Provincial Treasurer was giving considerable attention, and is one that I am sure the Interprovincial Conference will take up when they meet. To place our securities on the Trustee List would mean to add to their value at least two or three points. But, Sir, even as it is, without our securities on the Trustee List, they are selling as high and in some cases substantially higher, than a number of securities on the List.

I now come to capital receipts. We received \$112,960.58 on account of the sale of Toronto Asylum and Central Prison. There is a balance of \$862,000 unpaid, which under the agreement is payable when possession of the property can be given. We also received the balance of \$720,000 from the sale of the old Government House property. These, and similar items, are always treated as capital receipts.

I submit the following statement of expenditures:—

### PAYMENTS.

FOR FISCAL YEAR ENDED OCTOBER 31ST, 1912.

For Civil Government .....	680,451 95	
“ Legislation. . . . .	281,426 73	
“ Administration of Justice .....	674,390 79	
“ Education. . . . .	1,963,251 64	
“ Public Institutions Maintenance.....	1,313,969 48	
“ Colonization and Immigration .....	106,227 63	
“ Agriculture. . . . .	687,503 04	
“ Hospitals and Charities .....	411,108 88	
“ Repairs and Maintenance .....	133,479 40	
“ Colonization Roads .....	433,623 22	
“ Charges, Crown Lands .....	579,862 19	
“ Refunds. . . . .	74,264 24	
“ Miscellaneous Services .....	440,590 10	
“ Hydro-Electric Power Commission Provincial Government Expendi- ture, 1912 .....	170,684 52	
		<hr/> 7,950,833 81



**Public Buildings:**

For Hospitals for Insane.....	206,269	40
“ Reformatory for Females .....	4,125	08
“ Central Prison, Toronto .....	1,203	99
“ Osgoode Hall .....	40,185	59
“ Normal Schools .....	11,268	29
“ Agricultural College .....	9,904	92
“ Fruit Experimental Station .....	2,609	30
“ McKay House, 5 Queen's Park.....	7,222	35
“ Ontario Government Office, 172 Front St. W., Toronto .....	62	20
“ Deaf and Dumb Institute, Belleville..	5,209	37
“ Blind Institute, Brantford .....	1,285	62
“ Children's Shelter .....	16	66
“ Hygienic Building, London .....	300	00
“ Unorganized Districts .....	24,242	88
“ Public Works .....	203,823	20
“ Parliament and Departmental Build- ings—Fire Alarm .....	11,302	73
“ Special Warrants .....	37,896	17
“ Stationery and Paper Accounts, excess of purchases over distribution....	11,023	15

**Statutory Expenditure:**

For Interest Charges on Ontario Govern- ment Bonds and Stock (5 Edw. VII., cap. 2, and 6 Edw. VII., cap. 4), \$3,000,000 Loan .....	100,826	48
“ Interest Charges and Sinking Fund of Ontario Government Inscribed Stock (5 Edw. VII., cap. 2, and 3), £1,200,000 Loan .....	235,266	75
“ Interest Charges and Sinking Fund on Ontario Government Inscribed Stock (8 Edw. VII., cap. 11 and 12; and 1 George V., cap. 4), £1,620,000 Loan .....	323,920	10
“ Interest Charges on Ontario Govern- ment Bonds and Stock (5 Edw. VII., cap. 2 and 3), \$1,150,000 Loan. ....	45,620	20
“ Interest Charges on Ontario Govern- ment Bonds and Stocks (8 Edw. VII., cap. 12, and 9 Edw. VII., cap. 8), \$3,500,000 Loan .....	140,154	36
“ Interest Charges on Ontario Govern- ment Bonds and Stock (8 Edw. VII., cap. 12, and 1 George V., cap. 4), \$3,000,000 Loan .....	34,638	60

" Interest Charges on Ontario Government Bonds and Stock (8 Edw. VII., cap. 12, and 1 George V., cap. 9), \$500,000 Loan .....	16,676 24	
" Interest Assurance Fund, under the Land Titles Act (10 Edw. VII., cap. 61) .....	2,750 00	
" Interest Ontario Government Stock (9 Edw. VII., cap. 26, sec. 42; and 10 Edw. VII., cap. 26, sec. 47 ....	50 00	
" Not otherwise enumerated .....	859,304 15	
		2,337,157 78
<b>Total Expenditure .....</b>		<b>10,287,991 59</b>

For Drainage Debentures, Municipal (Statutory) .....	63,155 37	
" Drainage Debentures, Tile (Statutory) .....	15,300 00	
" Advanced to the Temiskaming and Northern Ontario Ry. (Statutory) .....	1,210,789 30	
" Roads in New Ontario .....	236,833 57	
" Good Roads (Statutory) .....	244,688 10	
" Highway Improvement Act .....	30,000 00	
" New Government House .....	194,542 53	
" New Provincial Prison .....	274,965 91	
" Osgoode Hall, Addition to Centre Building .....	21,320 05	
" Parliament Buildings, West Wing .....	161,719 40	
" Parliament Buildings, Addition to, Library Fittings and Hydro-Elec. Equipment .....	228,882 90	
" Provincial Museum .....	50,000 00	
" Ontario Veterinary College, land and building .....	7,830 88	
" Ontario Agricultural College, additional land, new dining hall and dairy stables .....	32,176 33	
" New Hospital for Insane, Whitby .....	136,489 04	
" Brockville Asylum, additional buildings and farm lands .....	17,835 85	
" Deaf and Dumb, Belleville, new Dormitory .....	11,976 31	
" Blind Institute, new dormitory .....	6,807 30	
" Industrial Home, Ft. William .....	15,334 66	
" Reconstruction London Immigration Office .....	23,500 00	

"	Exhibition Building, Toronto.....	25,000 00	
"	Purchase of Debentures, Towns Eganville and Cochrane, Tps. of Tisdale and Whitney. ....	111,146 88	
"	Advanced to Hydro-Electric Commission during Fiscal year ended Oct. 31st, 1912 .....	479,315 48	
	(Interest and Sinking Fund to be paid by Municipalities.)		
			3,599,609 86
"	Amount at Special Deposit, Oct. 31st, 1912. . . . .	1,422,000 00	
"	Amount at Current Account, Oct. 31st, 1912. . . . .	63,620 93	
		1,485,620 93	
	*Less balance of Federal Subsidy for Agriculture, deposited to Special Account. . . . .	46,549 05	
			1,439,071 88
			\$15,326,673 33

You will observe for Civil Government we spent \$680,451.95. There is an increase in that item over last year of \$39,000, mainly accounted for by salaries and expenses of departments which have been brought under Civil Government from other departments. For instance, the Agricultural and Horticultural Society branches have been so transferred. For Legislation we spent \$281,426.73, a small increase over last year. For Administration of Justice we spent \$674,390.79, a small increase. For Education we spent last year \$1,963,251.64, which is an increase of \$77,000 over 1911. We spent \$8,000 more on public and separate schools in new districts; \$21,000 more on examinations; \$7,600 more on public libraries, and \$14,496 more for agricultural training in the High Schools.

In educational work many new features have been developed in pursuance of the Government's promise to establish a progressive educational policy in the Province. We are placing more highly-trained teachers in the schools as the surest means of improving the training of the scholars. The work of substituting first and second class certificated teachers for those

\*See Federal Subsidy Expenditure.



holding third-class certificates goes steadily on. In 1911 there were 647 teachers with first and 6,076 teachers with second class certificates. All this means the expenditure of public money, but on the other hand the era of the cheaper school books has effected a saving of at least \$1,000,000 to the people of the Province. However, any expenditure of money in reason, if it gives us better schools for the people of the Province, is not an extravagant expenditure or an unjustifiable expenditure in this Province. (Hear, hear.) There are pouring into this Province thousands of immigrants, and it is the work of the schools to put upon them all—as well as upon our own boys and girls—the stamp of good Canadian citizenship—the outstanding feature of that stamp should be a good common school education—the Government, by liberal grants and elevating the standing of the school, and the teacher are trying to do their part.

We have heard something in the debate on the address in reply to the Speech from the Throne to the effect that Agriculture was not receiving from the Government the attention that it should, nor the grants it should, and therefore I have taken the trouble to note the expenditure of this Government under this head. From 1897 to 1904, for eight years, the old Government spent for everything—buildings and everything else in connection with agriculture—\$2,093,553, an average of \$261,694 a year. This Government spent for agricultural purposes, to promote the agricultural interests in the Province of Ontario, \$4,433,683 in eight years. (Applause.) My honourable friend, the Leader of the Opposition (Mr. Rowell), argued that there had not been a proportionate increase. But the average expenditure under this Government for eight years has been \$554,210, as against an average expenditure under the late Government for the same period of \$261,694—double and more than double—and in arriving at this average annual expenditure of \$554,210 I have not taken into consideration one dollar of the money spent on public buildings at Guelph or on the Veterinary College in Toronto, all of

which money has been expended directly for the benefit of the agricultural interests of this Province. (Applause.) These facts are the answer to the criticism of my honourable friend and at the same time show the fulfilment of the promise of Sir James Whitney, when in Opposition, that agriculture should have his best consideration and should receive assistance and grants on a much more generous scale than it was then receiving, and his promise has been fulfilled to the letter. (Hear, hear.)

Permit me to very briefly call attention to some of the distinctive lines of policy and work started by the Department of Agriculture since 1904:

One is that of district representatives. This consists in the appointment of a graduate of the Ontario Agricultural College to a local centre to serve the farmers of one county. This was adopted in 1907 with the opening of six offices. Additional offices have been opened from year to year since that time, and there are now thirty-one in thirty-one different counties. Almost all the offices are equipped with an assistant, as well as literature and other matter of great assistance to farmers. In the growing season offices are opened at three or four points throughout New Ontario.

The work has been immensely popular, because it has been effective, and it is the general opinion that no more important step has been taken on behalf of the agricultural industry in the history of the Province.

The District Representatives have interested themselves in all lines of work which benefit the farmer. The organization of Farmers' Clubs, Breeders' Clubs, Short Courses, has been very effective. Many far-reaching movements have been started.

Rural School Fall Fairs have also been started to interest the boys and girls in agricultural matters, and, last year, the first year in which they were attempted in several counties, they proved an unqualified success.

For many years the Prime Minister has urged that the Dominion Government, out of its increasing revenues, to which

Ontario contributes very largely, should specially set aside sums for the carrying on of agricultural work in the Province. Last year the Federal Government adopted this view and set aside the sum of \$500,000 to be divided among the various Provinces in proportion to population. Out of this Ontario received \$175,000, which is now being spent to the great advantage of Agriculture in this Province. The Ontario Government has worked very harmoniously with the Federal Government in this matter. The plan adopted was as follows: The Ontario Department of Agriculture prepared a statement of the ways in which they would like to use this money, and submitted it to the Minister at Ottawa for his approval. He not only readily approved the plan submitted, but extended his congratulations to the Ontario Minister on the plan adopted.

In furtherance of this policy, the Federal Government has now before Parliament a Bill to provide the sum of ten million dollars to be spent by the Provinces and spread over the next ten years. This is to be divided practically on a basis of population, and Ontario will receive next year the sum of \$195,000 and an increase over this sum at the rate of about \$35,000 per year until \$336,000 has been reached as a maximum under the present schedule. This is to be spent for agricultural instruction and will permit of a material extension of the work now being carried on.

In 1905 a drainage campaign was started, being conducted by the Agricultural College. The plan is to send out a staff of men to make surveys for individual farmers and hold demonstrations giving instruction as to the laying of tile. Since that time, surveys have been made for 61,522 acres and 7,560 miles of drains have been laid, 435 demonstrations being held.

Then there is the Field Crop Competition in connection with agricultural societies, and rainy weather insurance to help out societies that have suffered financially from rain on Fair days.

In the promotion of better methods of handling orchards nothing more important has been adopted than the plan of orchard demonstrations. Individual orchards in the past few



years have been taken over by the Department, have been pruned and sprayed in accordance with the latest information, the apples have been picked and packed and marketed, and in both the pruning and spraying and picking seasons demonstrations have been held so that the information might be distributed in the neighbourhood. The results showed the greatly increased values which are to be secured through the proper handling of old orchards, and a general revival of interest in this matter has taken place.

Two to three day courses for the men on the farm who have not time to go to College have been held and demonstrations given in seed, stock and fruit judging. These have been carried on by the best available experts and have attracted considerable attention.

In 1908 the Government took over the Ontario Veterinary College in the interests of the live stock industry of the Province, and they have since been conducting it with very much success. A new building is now being constructed on University Avenue, and will, when it is completed, be a valuable addition to the educational institutions of the Province.

The work of instruction among the dairy farmers who are producing for cheese factories and creameries has been taken over by the Government.

A Horticultural Experiment Station has been established at Jordan Harbor in the interests of fruit work.

The above are only a few of the many new features in agricultural work developed during recent years.

Now, passing on, you come to the item for Hospitals and Charities. No one will object to that. There is an expenditure there of \$411,108.88, an increase of \$53,000 over last year. The grant to Children's Aid work was \$1,100 more than last year. Repairs to and Maintenance of Government House and Parliament Buildings cost \$133,479.40, something less than last year. The ordinary repairs, alterations and equipment of Public Buildings was \$313,905.55. The sum of \$433,623.22 was spent for Colonization Roads, almost wholly in the north country.

That item deserves something more than a mere statement. In connection with that, on looking up the expenditure for Colonization Roads for some two or three years before the old Government went out, I find that the declared policy of the then Premier (Sir George Ross), was not to increase the Colonization Roads grant. When he was giving \$148,000 for Colonization Roads he was, in his financial statement, pointing with some degree of pride to the fact that he had been able to reduce the grant for Colonization Roads, and he stated he looked forward with hope to the time when this grant would be very substantially, not increased, but decreased. That was the way they were going to build up the roads of New Ontario. (Applause.)

My honourable friend, the Leader of the Opposition, as I said a little while ago, made an interesting trip up into New Ontario to learn—at first hand—so his own paper said, the needs and requirements of that country, so that he might adopt a policy which would properly meet with the approval of the people of New Ontario. The only thought that occurred to me, as I read that, was that some people might say that it would have been more useful to have gone up and learned the wants and requirements of the North before he built his New Ontario platform. He reversed the natural order—he built the platform and then went North to see if it would fit. Of course that platform was made in a hurry (laughter), and since he came back he hasn't had time to build another. So he and the little band are still on the old one.

MR. MCQUEEN: There were other platforms formed in a hurry last session!

HON. MR. LUCAS: My honourable friend, the Leader, should be pleased with the very romantic and picturesque figure he cut in the special despatches to *The Globe* upon that New Ontario trip. I cannot give it all. Let me digest a paragraph or two for my honourable friend. He will be glad to see himself in this pen portrait of himself and the gallant little band that followed him into New Ontario.

"All day he mingled with the stalwart miners and husbandmen, discussing with them their difficulties and their aspirations, and then when the day was over he came back through a blinding rain storm in a typical Cobalt gig, seated between two stalwart khaki-clad and heavily-booted miners, one guiding the horse, the other holding a huge umbrella over the trio. The crowd gathered at the depot and proclaimed the fellowship with a cheer."

Let me give another view of my honourable friend, the Leader of the Opposition, as described in an article in *The Globe*, headed the "Leader Himself Leads."

"He went down into the mine clad in typical mining garb and *carrying his own lantern*." Then, again, we have this picture of him "tramping through primitive woods, sinking in muskeg, a long tan-colored raincoat his protection against the open heavens. He conferred with the bronzed and booted prospector, and learned something of his language and its meaning——"

I can quite understand that. (Laughter.)

"Climbing over elevations, forcing his way through dense underbrush, wading in marsh and tramping along pioneer trails,——"

And the gallant band following him all the time. (Laughter.)

"He met the people, soon understood the situation, grasped the miner, the settler, the farmer by the hand, looked into their eyes, heard their stories and exchanged confidences with them,——"

And there the curtain falls. (Prolonged laughter and applause.)

As the Leader and the old settler or prospector stood there hand in hand, eye to eye, exchanging confidences, we can only draw on our imagination as to what took place. The old settler perhaps said he heard Mr. Rowell's speech at Cobalt the night before, which, as his own paper said, was "an able review of the noble work of the old Government in building



up New Ontario." With that in his mind, I can well understand the old settler saying to my honourable friend: "In those old days to get our mining titles, we had to go down to Toronto to have them registered, now we have that done at our back door. In those old days we very, very often found the title covered with a 'Conmee blanket.' In those old days, Mr. Leader, you will remember Father Pull had a lot to do with the filing of mining titles, but now we have a Mining Commissioner, a judicial officer who hears these cases in our own country, and if we are not satisfied with his decision we have the opportunity of going to the courts. In those old days the poor struggling settlers had poor schools. What did you do for them? Not a thing, not a dollar. But this Government gave the poor schools \$20,604 last year. Why, this Government you criticize and condemn is giving to the public and separate schools three times as much as the old Government you speak of, and still admire so much, ever gave. Of course, you are right when you say we still have bad roads. You had to walk over some muskeg, but, talking about roads, say, you should have been here some years ago. Your Government spent on an average for their last eight years, \$138,000 per annum, and the Government held out no hope for more liberal road grants—quite the opposite, for the then Treasurer declared they hoped to reduce this expenditure rather than increase it. But this Government spent \$626,000 on colonization roads last year." (Applause.) "In Public Works you spent \$62,000; this present Government spent \$130,000. For Public Buildings in New Ontario the present Government gave immensely more than your Government ever thought of giving. For Agriculture in New Ontario, you spent the last year you were in office \$8,000; this Government are giving liberal grants in every direction to assist in the agricultural development of New Ontario.

"To assist Hospitals and Charities in New Ontario you gave \$15,000. Last year the present Government gave \$41,000 for the same purposes. For wolf bounty you gave \$3,000, and

last year they gave \$8,872. For the proper enforcement of the Liquor License Law in New Ontario the Government you speak of spent \$619.00 in thirty years. This Government spent more in one month upon enforcement of Liquor Laws in New Ontario than your Government spent in thirty years. And so, Mr. Leader, while I like your warm hand clasp, and I like your sympathy and your grand profession, I can't forget that you and your party have a record in New Ontario, and while your professions of sympathy to-day are splendid, the past performances and practices of you and your party in New Ontario were abominable," and right here the interview ended. (Laughter and applause.)

Charges upon Crown lands show a decrease of \$37,000 from last year. I do not dwell upon the expenditure for ordinary repairs, alterations and additions to Public Buildings, the total is distributed amongst the different institutions as shown in the schedule before you. The Public Accounts will, of course, give further details.

The House will observe the item in payment of railway aid certificates and annuities, debts incurred by the previous Administration. For this purpose, we paid the sum of \$241,612.54 last year, of which \$132,300.51 was interest and \$109,311.97 principal, thus reducing the direct liability of the Province by the latter amount—we treat the whole item as current expenditure.

Our expenditures on capital account this year have been substantial; some of these expenditures have already been discussed in the House and will be again, no doubt; the statement shows these expenditures under their different headings. My honourable friend the Minister of Agriculture took over the Ontario Veterinary College, formerly a private institution, and is erecting a new building, and the expenditure on this to date is \$7,830.88. For the new Hospital for Insane at Whitby, which is a large work undertaken by reason of the sale of the present institution in Toronto, we spent \$136,489.04. In connection with the work at Whitby, much


of the material is being prepared by the prisoners in the various industries established at Guelph.

I propose to close within the next few minutes, but before doing so, desire to refer to one or two other matters, and so will not deal further with the capital expenditures. Honourable members will notice the total current receipts for the year are \$10,042,000.68, and total current or ordinary expenditure \$10,287,991.59, so that the expenditure exceeded the receipts by \$245,990.91. (It is, however, a case where I could very well argue that it is only an apparent deficit. My ~~honourable friend~~ (Mr. Rowell) smiles, but allow me again to point out to him that we paid out of current revenue not only the interest on our Railway Aid debt, a proper charge on current revenue, but we paid as well on principal \$109,311. In other words, we paid that amount on account of the principal money owing under the mortgage held against this Province, a mortgage, by the way, placed there by the friends of my honourable friend. It can be fairly argued, it is not a proper charge to pay out of current revenue. Apply it in the case of the farmer who wants to know whether or not he is paying his way. He knows what his ordinary revenue is, and during the year he paid off \$500 on a mortgage placed by a former owner, that is, he reduced the debt on the farm by \$500 and so is short of cash at the end of the year—that is what I call a nominal deficit for the year. That farmer, in taking stock of the year's work for the purpose of arriving at a conclusion as to whether or not he was paying his way—living within his income—would certainly take credit for the amount paid on the mortgage. Now, applying the same reasoning to our case, we reduced the principal of Railway Aid Certificates by \$109,311.87, and the same reasoning exactly applies to the sinking fund payment on the English loans, amounting to \$65,093.15. These two items, which are distinctly payments on account of principal money owed by the Province, amount to \$174,204.12. Deducting that from the \$245,991.91 leaves a net shortage of \$71,596.75.)



MR. ROWELL: Will my honourable friend please say how these two items have been treated in the past?

HON. MR. LUCAS: They have been treated, as I have already stated, as part of the current expenditure, but what I am pointing out is that as they are payments on account of principal money they might quite properly be treated otherwise. If these payments had been larger, no person would argue that they should be included in ordinary expenditure for the purpose of showing a deficit.

But I want to refer to something else.  We paid this year for the T. & N. O. \$217,054.82 in interest, in addition to the \$510,000 we received from the Commission. The T. & N. O. would have been able to have paid and would have paid that money, if the friends of the honourable gentleman opposite in the Senate at Ottawa had not blocked the subsidy that was coming to us. The result was that we did not receive the \$217,054.82, that was legitimately due to this Government. It is owing to us, and when the subsidy comes, as it will come, the T. & N. O. will be in a position to pay these arrears. If we had received that payment, justly due us, we would have had a net surplus of \$145,000. (Applause.)

(Now, Mr. Speaker, there is another view of this question of deficit or surplus that I desire to present. This Government has been eight years in power. During that time the total ordinary receipts were \$65,870,737.00 and the total ordinary expenditures as shown by the various financial statements presented to the House were \$64,727,992.00, or a total surplus of ordinary receipts over ordinary expenditures of \$1,142,745 during the eight years.) (Applause.) That is the actual position and the real position of the Province to-day after eight years of Conservative Government.

While honourable gentlemen may sit upon opposite sides, while party criticism is legitimate and proper, we must have party government, it is the best system and the only system under which the government of the country under British institutions can be carried on. While this is the case, and while

we may differ upon questions of policy, I am sure it is a matter for sincere gratification for every member of this House, no matter where he may sit, that the Government, after eight years of expansion and development in this Province and after the increased demands upon the Treasury of the Province during the last eight years have been met, are able to come before the Legislature and present statements showing the Province has not only paid its way, but has a surplus on the eight years' business of \$1,142,745. (Loud applause.)

Without another word I propose to close. The main estimates and the supplementary estimates are before honourable gentlemen in detail, and I submit below a statement showing the estimated receipts and expenditures for this Government. These will be discussed later in the session, and perhaps no useful purpose will be served by further remarks from me at present. I beg to move, Mr. Speaker, that you do now leave the chair in order that the House may resolve itself into Committee of Supply.

## CASH AND DEBENTURE ASSETS OF THE PROVINCE.

OCTOBER 31ST, 1912.

## BANK BALANCES:—

Current Account .....	\$63,620 93	
Special deposits bearing interest...	1,422,000 00	
(Including Federal Subsidy for Agriculture unexpended, \$46,549.05.)		1,485,620 93

## SINKING FUNDS:—

*Re* Ontario Government inscribed stock, 5 Edward VII., cap. 2 and 3, £1,200,000, one-half of one per cent. per annum on the principal.

Amount of stock purchased for the Province for sinking fund by the Bank of Montreal, Fiscal Agents, to the 31st of October, 1912, £46,190 10s., at par of exchange ..	224,485 83
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*Re* Ontario Government inscribed stock, 8 Edward VII., cap. 11 and 12, £1,620,000, one-half of one per cent. per annum on the principal.

Amount of stock purchased for the Province for sinking fund by the Bank of Montreal, Fiscal Agents, to the 31st October, 1912, £19,650 12s., at par of exchange .....	95,501 91
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## DEBENTURES:—

Drainage Debentures, Municipal ....	251,532 88	
Tile Drainage Coupons .....	55,360 00	
Sault Ste. Marie Debentures .....	25,572 50	
Village of Eganville Debentures ....	12,646 88	
Town of Cochrane Debentures .....	38,500 00	
Township of Whitney Debentures ..	20,000 00	
Township of Tisdale Debentures ...	40,000 00	443,612 26

Temiskaming and Northern Ontario Railway, amount expended to 31st October, 1912, see Statement No. 16 .....	18,746,451 99
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Hydro-Electric Power Commission of Ontario, amount advanced to 31st October, 1912 .....	4,661,238 33
(Interest and Sinking Fund to be paid by Municipalities.)	

Balance due from sale of Central Prison and Toronto Asylum properties .....	862,699 42
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## TRUST FUND OF THE PROVINCE HELD BY THE DOMINION.

Common School Fund (see Consolidated Statutes, c. 26), 1,000,000 acres set apart (proceeds realized to 31st December, 1911), after deducting Land Improvement Fund, \$2,622,933.80, portion belonging to Ontario as per population of 1911 ..... \$1,462,306 90

NOTE.—See Awards, Sessional Papers, 1900 and 1901.

Common School Fund, Montmorency Bridge Debentures paid over to the Dominion *re* Quebec Turnpike Trust, \$6,000.00, portion belonging to Ontario as per population of 1911 ..... 3,345 05

1,465,651 95

Total Assets ..... \$27,985,262 62

## DIRECT LIABILITIES OF THE PROVINCE.

- (1) Ontario Government Inscribed Stock (London, Eng., loan), 5 Edward VII., cap. 2 and 3, 3½ per cent., principal due 1st January, 1946, for construction of Temiskaming and Northern Ontario Railway, £1,200,000, at par of exchange ..... \$5,840,004 00
- (2) Ontario Government Inscribed Stock (London, Eng., loan), 8 Edward VII., cap. 11 and 12, 1 George V., cap. 4, and 2 George V., cap. 2, 4 per cent., principal due May 1st, 1947, for construction of Temiskaming and Northern Railway, etc., £1,620,000, at par of exchange ..... 7,884,000 00
- (3) Ontario Government Bonds and Stock, 5 Edward VII., cap. 2, and 6 Edward VII., cap. 4 (Canadian loan), 3½ per cent., principal due July 1st, 1926, and July 1st, 1936, for construction of Temiskaming and Northern Ontario Railway ..... 3,000,000 00
- (4) Ontario Government Bonds and Stock, 5 Edward VII., cap. 2 and 3, (Canadian loan), 4 per cent., principal due June 1st, 1939, for construction of Temiskaming and Northern Ontario Railway ..... 1,150,000 00

(5) Ontario Government Bonds and Stock, 8 Edward VII., cap. 12, and 9 Edward VII., cap. 8 (Canadian loan), 4 per cent., principal due June 1st, 1939 .....	3,500,000 00
(6) Ontario Government Bonds and Stock, 1 George V., cap. 9, and 8 Edward VII., cap. 12 (Canadian loan), Algonquin Park Loan and Purchase Act, 4 per cent., principal due May 1st, 1941 .....	500,000 00
(7) Ontario Government Bonds and Stock, 8 Edward VII., cap. 12, and 1 George V., cap. 4 (Canadian loan), 4 per cent., principal due November 1st, 1941, \$3,000,000.00 authorized. Amount issued to October 31st, 1912 .....	1,229,700 00
(8) Ontario Government Stock, Charitable and Educational Bequests. 9 Edward VII., cap. 26, sec. 42, and 10 Edward VII., cap. 26, sec. 47.....	1,000 00
(9) Municipal Securities, 8 Edward VII., cap. 51. Municipal Sinking Funds on deposit with the Province of Ontario to 31st October, 1912, with accrued interest at 4 per cent. ....	101,716 44
(10) Railway Certificates, present value outstanding on 31st October, 1912 ..	2,443,774 09
Annuity Certificates, present value outstanding on 31st October, 1912. ....	1,346,120 89
	<hr/> 3,789,894 95
(11) Common School Fund collections by Ontario, from 1st January, 1912, payable to the Dominion, in trust for both Provinces .....	5,610 50
In trust for Ontario ... \$3,127 90	
In trust for Quebec .... 2,482 60	
(12) University of Toronto Certificates, \$30,000.00 per annum for 23 years, 5 Edward VII., cap. 37, present value at 3½ per cent. per annum .....	468,612 30
(13) Assurance Fund under The Land Titles Act, R.S.O., 1897, cap. 137, sec. 130, amended by 3 Edward VII., cap. 12, sec. 5. 10 Edward VII., cap. 61. ....	110,000 00
Total Direct Liabilities .....	<hr/> \$27,580,538 22

# INDIRECT LIABILITIES OF THE PROVINCE AND GUARANTEES.

## (1) Niagara Falls Park Bonds:

(50 Vic., c. 13) .....	\$525,000 00	
(57 Vic., c. 13) .....	75,000 00	
(8 Edw. VII., c. 29) .....	100,000 00	
(10 Edw. VII., c. 21) .....	200,000 00	
	<hr/>	\$900,000 00

NOTE.—The income of the Park Commission from lease of power, etc., was sufficient to pay all maintenance and interest charges and leave a balance available for capital expenditure.

## (2) The Canadian Northern Ontario Railway Company:

Guarantee by the Province of Ontario, under authority of 8 Edward VII., cap. 47, of principal and interest at 3½ per cent. per annum, Debenture Stock of above Railway, payable in 30 years from 30th June, 1908, £1,615,068 9s. 7d. sterling..... 7,860,000 00

Secured by First Mortgage on Railway, Rolling Stock and Terminals.

## (3) University of Toronto:

Guarantee by the Province of Ontario under authority Order in Council, 15th July, 1908, and 16th June, 1909, Debentures of above University, payable 15th July, 1910, to 15th July, 1949, 40 years, \$500,000.00.

Present value for 37 years at 4 per cent. .... \$483,541 57

## (4) University of Toronto:

Guarantee by the Province of Ontario, under authority Order in Council, 7th April, 1911, Debentures of above University, payable 1st January, 1912, to 1st January, 1951, 40 years, \$130,000.00.

Present value for 39 years at 4 per cent. .... 128,630 93



## (5) University of Toronto:

Guarantee by the Province of Ontario, under authority Order in Council, May, 1912, Debentures of above University, payable 1st January, 1912, to 1st January, 1951, 40 years, \$300,000.00.

Present value for 39 years at 4 per cent. ....	296,842 11	
	<hr/>	909,014 61
		<hr/>
		\$9,669,014 61

## RECEIPTS AND EXPENDITURE.

FISCAL YEAR ENDED OCTOBER 31ST, 1912.

## RECEIPTS.

## Balances as per Public Accounts, 1911.

	\$	c.	\$	c.	\$	c.
Amount at Special Deposit,						
31st October, 1911 .....	1,442,000	00				
Amount at Current Account,						
31st October, 1911 .....	61,916	99				
	<hr/>				1,503,916	99

## From Dominion of Canada:

Subsidy on population,		
B.N.A. Act, 1907 .....	2,014,781	60
Subsidy, 47 Vic., c. 4 .....	142,414	48
Special Grant, B.N.A. Act,		
1907 .....	240,000	00
	<hr/>	2,397,196 08

## Interest paid by Dominion,

see Statement No. 3..... 72,344 46

Interest on Investments .... 76,666 62

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149,011 08

## Lands, Forests and Mines:

## CROWN LANDS:

Agricultural ....	220,595 76	
Mining .....	51,634 48	
	<hr/>	272,230 24

## Common School

Lands .....	7,121 25	
University Lands	4,263 39	
	<hr/>	11,384 64

## RENT:

Mining Leases ...	33,098 34	
Crown Leases ..	18,931 82	
	<hr/>	52,030 16

Miners' Licenses..	56,147 75	
Permits . . . . .	1,780 75	
Recording Fees ..	49,234 20	
	<hr/>	107,162 70
Royalties. . . . .		250,145 65

## SUPPLEMENTARY REVENUE:

Acreage Tax ...	15,770 62	
Profit Tax . . . . .	155,506 86	
Gas Tax . . . . .	19,598 05	
	<hr/>	190,875 53

## WOODS AND FORESTS:

Bonus . . . . .	540,702 85	
Timber Dues ..	1,339,957 12	
Ground Rent ...	96,262 81	
Transfer Fees ..	8,740 00	
	<hr/>	1,985,662 78

Provincial Assay		
Fees . . . . .	654 00	
Casual Fees . . . . .	655 47	
Cullers' Fees . . . . .	2,698 51	
	<hr/>	4,007 98

Algonquin Park ..	7,610 05	
Rondeau Park ....	489 65	
Forest Reserves ..	778 80	
	<hr/>	8,878 50

## REFUNDS:

Wood Ranging ..	3,177 16	
Fire Ranging ....	13,821 88	
Surveys . . . . .	74 77	
Contingencies ...	60 00	
Diamond Drill ..	208 25	
Agents' Salaries.	468 50	
Mining Recorders	16 00	
	<hr/>	17,826 56

2,900,204 74

Licenses . . . . .	805,151 48
Law Stamps . . . . .	126,720 70
Algoma Taxes . . . . .	116 29
Education . . . . .	63,944 56
Provincial Secretary . . . . .	343,053 33
Game and Fisheries . . . . .	133,354 49
Agriculture . . . . .	167,224 91
Supplementary Revenue Act, 8	
Edw. VII., c. 14 . . . . .	898,031 30
Succession Duty . . . . .	773,712 39
Succession Duty (Funds deposited in lieu of Bond for payment of Succession Duty)	99,865 00
Casual Revenue . . . . .	166,339 57
Insurance Department . . . . .	45,121 76

**Public Institutions:**

Toronto Hospital for Insane	58,283	61
Brockville	15,478	65
Hamilton	41,038	72
Kingston	17,542	94
London	37,926	64
Mimico	20,994	92
Orillia	10,438	23
Penetanguishene	3,120	59
Cobourg	1,042	40
Reformatory for Females..	9,867	05
Central Prison .....	28	10
Central Prison Industries..	50,719	33
Provincial Prison, Guelph.	19	95
Woodstock Hospital for Epi- leptics .....	14,743	53
	<hr/>	281,244 66

**Hydro-Electric Power Commission:**

Interest, 4 per cent. on Capital Account, 6 Edw. VII., c. 15, sec. 15-18.....	181,707	84
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**Temiskaming and Northern Ontario Rail-  
way, from Earnings .....**

510,000 00

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**Total Receipts .....** 10,042,000 68

<b>Drainage Debentures, Municipal .....</b>	21,113	90
<b>Drainage Debentures, Tile .....</b>	6,465	00
<b>Province of Ontario Loan (Algonquin Park), net pro- ceeds to October 31st, 1912. See Statement No. 19..</b>	211,494	92
<b>Ontario Government Inscribed Stock (London, England, Loan), 8 Edw. VII., cap. 11 and 12, 1 Geo. V., cap. 4, and 2 Geo. V., cap. 2. Amount credited to Ont. Treasury Dept. See Statement No. 17.....</b>	1,430,997	55
<b>Province of Ontario Loan, 8 Edw. VII., cap. 12, and 1 Geo. V., cap. 4. Amount issued to October 31st, 1912. See Statement No. 18 .....</b>	1,243,980	50
<b>Municipal Securities, Municipal Sinking Funds received for fiscal year ended October 31st, 1912.....</b>	33,743	21
<b>Central Prison and Toronto Asylum Properties, Sale of</b>	112,960	58
<b>Old Government House, Sale of (balance).....</b>	720,000	00
	<hr/>	\$15,326,673 33



**PAYMENTS.**

For Civil Government .....	680,451	95	
“ Legislation .....	281,426	73	
“ Administration of Justice .....	674,390	79	
“ Education .....	1,963,251	64	
“ Public Institutions Maintenance.....	1,313,969	48	
“ Colonization and Immigration .....	106,227	63	
“ Agriculture .....	687,503	04	
“ Hospitals and Charities .....	411,108	88	
“ Repairs and Maintenance .....	133,479	40	
“ Colonization Roads .....	433,623	22	
“ Charges, Crown Lands .....	579,862	19	
“ Refunds . . . . .	74,264	24	
“ Miscellaneous Services . . . . .	440,590	10	
“ Hydro-Electric Power Commission: Provincial Government Expendi- ture, 1912 . . . . .	170,684	52	
			7,950,833 81

**Public Buildings:**

For Hospitals for Insane .....	206,269	40	
“ Reformatory for Females .....	4,125	08	
“ Central Prison, Toronto .....	1,203	99	
“ Osgoode Hall . . . . .	40,185	59	
“ Normal Schools .....	11,268	29	
“ Agricultural College .....	9,904	92	
“ Fruit Experimental Station .....	2,609	30	
“ McKay House, 5 Queen's Park .....	7,222	35	
“ Ontario Government Office, 172 Front St. W., Toronto .....	62	20	
“ Deaf and Dumb Institute, Belleville .	5,209	37	
“ Blind Institute, Brantford .....	1,285	62	
“ Children's Shelter . . . . .	16	66	
“ Hygienic Building, London .....	300	00	
“ Unorganized Districts .....	24,242	88	
“ Public Works .....	203,823	20	
“ Parliament and Departmental Build- ings—Fire Alarm . . . . .	11,302	73	
“ Special Warrants . . . . .	37,896	17	
“ Stationery and Paper Accounts, excess of purchases over distribution. . .	11,023	15	

**Statutory Expenditure:**

For interest charges on Ontario Govern- ment Bonds and Stock (5 Edw. VII., cap 2, and 6 Edw. VII., cap. 4), \$3,000,000 Loan .....	100,826	48	
“ Interest Charges and Sinking Fund of Ontario Government Inscribed Stock (5 Edw. VII., cap. 2 and 3), £1,200,000 Loan .....	235,266	75	

<b>For Interest Charges and Sinking Fund</b>		
on Ontario Government Inscribed		
Stock (8 Edw. VII., cap. 11 and		
12; and 1 George V., cap. 4),		
£1,620,000 Loan . . . . .	323,920	10
“ Interest Charges on Ontario Govern-		
ment Bonds and Stock (5 Edw.		
VII., cap. 2 and 3), \$1,150,000		
Loan . . . . .	45,620	20
“ Interest Charges on Ontario Govern-		
ment Bonds and Stock (8 Edw.		
VII., cap. 12 and 9 Edw. VII., cap.		
8), \$3,500,000 Loan . . . . .		140,154 36
“ Interest Charges on Ontario Govern-		
ment Bonds and Stock (8 Edw.		
VII., cap. 12, and 1 George V.,		
cap. 4), \$3,000,000 Loan . . . . .		34,638 60
“ Interest Charges on Ontario Govern-		
ment Bonds and Stock (8 Edw.		
VII., cap. 12, and 1 George V., cap.		
9), \$500,000 Loan . . . . .		16,676 24
“ Interest Assurance Fund, under the		
Land Titles Act (10 Edw. VII.,		
cap. 61) . . . . .		2,750 00
“ Interest Ontario Government Stock (9		
Edw. VII., cap. 26, sec. 42; and		
10 Edw. VII., cap. 26, sec. 47) ..		50 00
“ Not otherwise enumerated . . . . .		859,304 15
		<hr/>
		2,337,157 78
<b>Total Expenditure . . . . .</b>		<hr/>
		10,287,991 59
<b>For Drainage Debentures, Municipal</b>		
(Statutory) . . . . .		63,155 37
“ Drainage Debentures, Tile (Statutory)		15,300 00
“ Advanced to the Temiskaming and		
Northern Ontario Ry. (Statutory)		1,210,789 30
“ Roads in New Ontario . . . . .		236,833 57
“ Good Roads (Statutory) . . . . .		244,688 10
“ Highway Improvement Act . . . . .		30,000 00
“ New Government House . . . . .		194,542 53
“ New Provincial Prison . . . . .		274,965 91
“ Osgoode Hall, Addition to Centre		
Building . . . . .		21,320 05

For Parliament Buildings, West Wing ..	161,719 40	
" Parliament Buildings, Addition to, Library Fittings and Hydro-Elec. Equipment. . . . .	228,882 90	
" Provincial Museum . . . . .	50,000 00	
" Ontario Veterinary College, land and building . . . . .	7,830 88	
" Ontario Agricultural College, ad- ditional land, new dining hall and dairy stables . . . . .	32,176 33	
" New Hospital for Insane, Whitby....	136,489 04	
" Brockville Asylum, additional build- ings and farm lands . . . . .	17,835 85	
" Deaf and Dumb, Belleville, new Dormitory . . . . .	11,976 31	
" Blind Institute, new dormitory . . . . .	6,807 30	
" Industrial Home, Ft., William . . . . .	15,334 66	
" Reconstruction London Immigration Office . . . . .	23,500 00	
" Exhibition Building, Toronto . . . . .	25,000 00	
" Purchase of Debentures, Towns Egan- ville and Cochrane, Tps. of Tisdale and Whitney . . . . .	111,146 88	
" Advanced to Hydro-Electric Commis- sion during Fiscal year ended Oct. 31st, 1912 . . . . .	479,315 48	
(Interest and Sinking Fund to be paid by Municipalities)		
		3,599,609 86
" Amount at Special Deposit, Oct, 31st, 1912 . . . . .	1,422,000 00	
" Amount at Current Account, Oct. 31st, 1912 . . . . .	63,620 93	
		1,485,620 93
*Less balance of Federal Subsidy for Agriculture, deposited to Special Account . . . . .	46,549 05	
		1,439,071 88
		<u>\$15,326,673 33</u>

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\*See Federal Subsidy Expenditure.



**ESTIMATED RECEIPTS FISCAL YEAR ENDING OCTOBER 31st,  
1913, INCLUDING CASH BALANCES ON HAND  
31st OCTOBER, 1912.**

Subsidy . . . . .	\$2,396,378 88
Interest on Common School Funds held by the Dominion . . . . .	\$75,000 00
Interest on Investments . . . . .	60,000 00
	<hr/>
	135,000 00

**LANDS, FORESTS AND MINES DEPARTMENT:**

**Lands and Forests:**

Timber Dues, Bonus, Ground Rent, etc. . . . .	\$1,950,000 00
Crown Lands . . . . .	250,000 00
	<hr/>
	2,200,000 00

**Mines:**

Royalties . . . . .	\$185,000 00
Supplementary Revenue . . . . .	210,000 00
Leases and Sales . . . . .	105,000 00
License Fees, Recording Fees, etc. . . . .	90,000 00
Miscellaneous . . . . .	10,000 00
	<hr/>
	600,000 00

	2,800,000 00
Public Institutions . . . . .	250,000 00
Education Department . . . . .	55,000 00
Provincial Secretary's Department . . . . .	285,000 00
Agriculture . . . . .	160,000 00
Casual Revenue . . . . .	160,000 00
Insurance Department . . . . .	40,000 00
Succession Duties . . . . .	700,000 00
Supplementary Revenue Tax (8 Edw. VII., Cap. 14)	890,000 00
Tavern and Brewers' Licenses . . . . .	750,000 00
Law Stamps. . . . .	125,000 00
Game and Fisheries . . . . .	125,000 00
Estimated Earnings, T. & N. O. Ry. . . . .	500,000 00
Hydro-Electric Power Commission, Interest, etc. . . . .	175,000 00
	<hr/>

Total Estimated Receipts . . . . .	\$9,546,378 88
Cash Balances, 31st October, 1912 . . . . .	1,439,071 88
	<hr/>
Total . . . . .	\$10,985,450 76

ESTIMATED EXPENDITURE, FISCAL YEAR, ENDING  
OCTOBER 31st, 1913.

Civil Government . . . . .	\$805,079 00
Legislation . . . . .	300,750 00
Administration of Justice . . . . .	770,746 91
Education . . . . .	2,149,010 85
Public Institutions Maintenance . . . . .	1,463,297 00
Agriculture . . . . .	738,361 00
Colonization and Immigration . . . . .	125,600 00
Hospitals and Charities . . . . .	423,575 00
Repairs and Maintenance . . . . .	176,817 90
Public Buildings . . . . .	507,337 00
Public Works . . . . .	73,200 00
Colonization Roads . . . . .	130,000 00
Charges Crown Lands . . . . .	666,018 50
Refunds . . . . .	93,698 12
Miscellaneous . . . . .	659,477 47
	<hr/>
	\$9,082,968 75

Capital:

New Provincial Prison . . . . .	\$250,000 00
New Government House . . . . .	300,000 00
Parliament Buildings, West Wing . . . . .	50,000 00
Parliament Buildings, Addition . . . . .	103,550 00
Provincial Museum . . . . .	50,000 00
Hospital for Insane, Brockville, additional buildings and farm lands . . . . .	60,000 00
Hospital for Feeble-Minded, Orillia, additional build- ings . . . . .	60,000 00
Hospital for Insane, Toronto, additional buildings, farms, land and equipment . . . . .	200,000 00
Institution for the Deaf and Dumb, Belleville, erection of new dormitory . . . . .	68,500 00
Institution for the Blind, Brantford, new dormitory building . . . . .	52,000 00
Ontario Agricultural College, new buildings . . . . .	67,000 00
Ontario Veterinary College, new building . . . . .	115,000 00
Court House, District of Temiskaming . . . . .	25,000 00
	<hr/>
	\$10,484,018 75

(Capital Account \$1,401,050.00.)

Statement showing amounts payable annually for certificates issued by the Treasurer of the Province for "Aid to Railways" and Annuities.

Year.	Railway Aid Certificates.	Annuities.	Year.	Railway Aid Certificates.	Annuities.
	\$ c.	\$ c.		\$ c.	\$ c.
			<i>Frd.</i>	2,503,326 12	1,640,450 00
			1931	134,914 94	43,700 00
1912 .....		51,450 00	1932	127,918 94	32,700 00
1913	139,112 54	102,900 00	1933	125,120 54	28,700 00
1914	139,112 54	102,900 00	1934	123,021 74	28,700 00
1915	139,112 54	102,900 00	1935	111,128 54	24,700 00
1916	139,112 54	102,900 00	1936	105,090 01	16,700 00
1917	139,112 54	102,900 00	1937	94,459 80	9,200 00
1918	139,112 54	102,900 00	1938	90,961 80	2,850 00
1919	139,112 54	102,900 00	1939	86,122 35	.....
1920	139,112 54	102,900 00	1940	82,239 02	.....
1921	139,112 54	102,900 00	1941	67,943 75	.....
1922	139,112 54	102,900 00	1942	31,818 40	.....
1923	139,112 54	102,900 00	1943	24,920 51	.....
1924	139,112 54	96,200 00	1944	22,695 08	.....
1925	139,112 54	82,500 00	1945	18,251 86	.....
1926	139,112 54	69,350 00	1946	18,251 86	.....
1927	139,112 54	56,950 00	1947	18,251 86	.....
1928	139,112 54	50,700 00	1948	18,251 86	.....
1929	139,112 54	50,700 00	1949	6,871 26	.....
1930	138,412 94	50,700 00	1950	699 60	.....
<i>Frd.</i>	2,503,326 12	1,640,450 00	<i>Totals</i>	3,812,259 84	1,827,700 00

NOTE.—Present value of Railway Certificates, October 31st, 1912 (interest  $1\frac{1}{2}$  per cent. half yearly)... \$2,443,774.09  
 Present value of Annuities, October 31st, 1912 (interest  $1\frac{1}{2}$  per cent. half yearly),..... 1,346,120.89





Government  
Publications



